

MISSISSIPPI REAL ESTATE APPRAISER LICENSING AND CERTIFICATION BOARD



OFFICIAL PUBLICATION OF THE MISSISSIPPI APPRAISAL BOARD

Fall Issue, November 2008



Chairman Jeff Short

CHAIRMAN JEFF SHORT ADDRESSES NEW RULE CHANGES

For the last year the Members of the Mississippi Real Estate Licensing and Certification Board (MAB) have worked diligently making revisions to the MAB Rules and Regulations which will allow the Rules to more closely mirror the January 1, 2008, changes which were made by Federal Regulators. The changes which are being implemented will become effective on January 1, 2009, and they will impact every appraiser licensed in Mississippi. The changes are to Rules 1, 2, 3, 5, and 11 and they are presented in their entirety in this newsletter.

A snapshot of the more important changes is as follows, to wit:

**When any appraiser submits a log to the MAB for the evaluation of appraisal experience, the MAB staff will choose a minimum of two (2) reports from the appraisal log and request that those specific reports be tendered to the staff for review.

**A Complex Appraisal Report is one which fully develops all three (3) of the approaches to value.

**An Appraiser Intern may gain no work-experience unless both the Intern and the Certified Appraiser have both signed documentation with the MAB prior to any work being performed. A Certified Appraiser must be physically present with an Appraiser Intern during any inspection of real property which is the subject of an appraisal report.

**Tract I and Tract II Licensed Appraisers (LA) may individually sign only residential appraisal reports which consist of one (1) to four (4) units and the indicated market value does not exceed \$300,000.00. For all other classifications of property or for residential properties whose value exceeds \$300,000.00, a qualified certified appraiser must also sign the report. The new Rules makes no distinctions between a federally related transaction and a non-federally related transaction

and no exceptions are permitted for the completion of a complex or a non-complex appraisal.

**Track Two Licensed Appraisers must continue to use the phrase "License Obtained With No Appraisal Experience" until the appraiser submits their experience log to the MAB and it is determined that 1,000 hours of experience has been earned.

**A Certified Residential Appraiser may individually sign any residential appraisal report, regardless of value. However, for all other classifications of property a qualified certified general appraiser must also sign the report.

**A PUBLIC HEARING
WILL BE HELD AT THE
APPRAISAL BOARD OFFICES AT 2506 LAKE-
LAND DRIVE (SUITE
300) IN FLOWOOD ON
12/17/08 AT 10:00 AM.
YOU MAY ALSO SUBMIT
ANY COMMENTS CONCERNING THE NEW
RULES TO THE AP-
PAISAL BOARD OF-
FICES AT THE FOLLOW-
ING ADDRESS:
P. O. BOX 12685
JACKSON, MS 39236**

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RULE CHANGES GO INTO EFFECT

RULE 1

EDUCATIONAL REQUIREMENTS FOR APPRAISER INTERN, LICENSED REAL ESTATE APPRAISER, CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER, AND CERTIFIED GENERAL REAL ESTATE APPRAISER

Each applicant for an Appraiser Intern permit shall have completed the required number of classroom hours of courses in subjects related to real estate appraisal as set forth in MAB Rule 11. Each applicant for a license as a licensed real estate appraiser, a licensed certified residential real estate appraiser or a licensed certified general real estate appraiser shall have successfully completed the required number of classroom hours of appraisal courses in subjects as set forth in MAB Rule 3.

1. Class hours will be credited only for educational offerings with content that follows the required core curriculum specified in Rule 3 & Rule 11 for each respective credential. Course content requirements may be general or specific to property types.
2. Class hours may be obtained only where the minimum length of the Qualifying Education offering is at least 15 hours and the individual successfully completes an approved closed-book examination pertinent to that educational offering.
3. Where the Qualifying Education course includes multiple topics identified within the Appraisal Qualification Board (AQB) Required Core Curriculum, there must be appropriate testing for each component.

4. Courses taken to satisfy the Qualifying Education requirements must not be repetitive. The Uniform Standards of Professional Appraisal Practice (USPAP) courses which are completed in different years are not considered repetitive. Courses should be designed to foster problem-solving skills in the education process by utilizing case studies as a major teaching method when applicable.
5. Applicants must take the 15-Hour National USPAP Course, or its equivalent, and pass the examination. At least one of the course instructors must be an AQB Certified USPAP Instructor who is also an active State Certified Appraiser. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. USPAP education presented in a distance education format must be designed to foster appropriate student-to-student, student to instructor and student to material interaction.
6. Distance education courses:
 - a. Any education process based on the geographical separation of student and instructor.
 - b. Course(s) must provide interaction where the student has verbal or written communication with the instructor.

- c. Content approval is to be obtained from the AQB, a state licensing jurisdiction, or an accredited college, community college, or University that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U. S. Secretary of Education. Non-academic credit from college or community college courses shall be approved by the AQB or the state licensing jurisdiction.
- d. Course delivery mechanism approval is to be obtained from

Rule 2

EXPERIENCE REQUIREMENTS FOR LICENSE, CERTIFIED RESIDENTIAL AND CERTIFIED GENERAL APPLICANTS

Each applicant for a license as a licensed real estate appraiser shall have obtained at least one thousand (1000) hours of appraisal experience gained over a period of not less than six (6) months if applying under "Track One" or no experience if applying under "Track Two". Each applicant for a license as a certified residential real estate appraiser shall have obtained at least two thousand five hundred (2500) hours of appraisal experience (six hundred <600> points) which was acquired over a minimum of twenty-four (24) months. Each applicant for a license as a certified general real estate appraiser shall have obtained at least three thousand (3000) hours of appraisal experience (seven

hundred and twenty <720> points) which was acquired over a minimum of thirty (30) months.

- a. An applicant for a license as a licensed real estate appraiser under “Track One” shall have obtained at least one thousand (1000) hours of appraisal work-experience as an Appraiser Intern under the direct supervision of a certified residential real estate appraiser or a certified general real estate appraiser. If applying under “Track Two”, no experience is required but additional requirements as stated in “MAB Rule 3” must be satisfied.
- b. An applicant for a license as a certified residential real estate appraiser shall have obtained at least three hundred (300) of the required points in the residential appraisal category with no more than three hundred and seventy five (375) points gained during any twelve (12) month period.
- c. An applicant for a license as a certified general real estate appraiser shall have obtained at least three hundred and sixty (360) of the required points in the general appraisal category with no more than four hundred and fifty (450) points gained during any twelve (12) month period.
- d. Acceptable appraisal experience includes the following: Fee and staff appraisal, review appraisal, appraisal analysis, feasibility analysis, and real estate consulting.
- e. The verification for experience credit claimed by an applicant shall be via affidavit and on forms prescribed by the Board. **Following the applicant’s submission of the appraisal log the Board will request a minimum of two (2) sample appraisals from those reports listed for**

experience. In addition, the applicant must agree to furnish other appraisal reports if deemed necessary by the Board. The sample appraisal reports must be USPAP compliant and must include at least one complex appraisal from the category being applied for.

- f. The experience required for the certified general and certified residential categories shall be obtained as follows:
 1. An applicant for general real estate appraiser certification must provide evidence satisfactory to the Board that the applicant possess the equivalent of two and one half (2 1/2) years of appraisal experience (equivalent to 720 points) obtained over a minimum of thirty (30) months. Experience credits for general real estate appraiser certification shall be awarded as follows:
 - i. 16 points of credit shall be awarded for a complex non-residential appraisal;
 - ii. four points of credit shall be awarded for a complex non-residential field review;
 - iii. one point of credit shall be awarded for a complex non-residential desk review;
 - iv. four points of credit shall be awarded for non-complex non-residential appraisal;
 - v. two points of credit shall be awarded for a non-complex non-residential field review;
 - vi. one point of credit shall be awarded for a non-complex non-residential desk review.
 2. An applicant for residential real estate appraiser certification must provide satisfactory evidence to the Board that the applicant possesses the equivalent of two (2) years of appraisal experience (600 points) obtained continuously over a minimum of twenty four (24) months.

Experience credits for residential real estate appraiser certification shall be awarded as follows:

- i. credits (points) referred to as residential experience shall be derived from appraisals of one-to-four family residential properties.
 - ii. six points of credit shall be awarded for a complex residential appraisal;
 - iii. two points of credit shall be awarded for a complex residential field review;
 - iv. one point of credit shall be awarded for a complex residential desk review;
 - v. three points of credits shall be awarded for a non-complex residential appraisal;
 - vi. one point of credit shall be awarded for a non-complex residential field review;
 - vii. one-half point of credit shall be awarded for a non-complex residential desk review.
3. **An applicant for licensed real estate appraiser applying under “Track One” must provide evidence satisfactory to the Board**

that the applicant possesses one thousand (1000) hours of appraisal work-experience as an Appraiser Intern which was obtained over a minimum of six (6) months. Experience hours for the licensed real estate category shall be determined by the Board from the log of appraisals submitted by the applicant. Applicants applying under "Track Two" are not required to meet the experience requirement. However, they must satisfy alternate requirements as stated in "Rule 3".

4. Experience for either category of certification must have been obtained preceding the filing of the application for certification.
5. A non-complex appraisal is one having the following characteristics;
 - i. there is an active market of essentially identical properties;
 - ii. Adequate data is available to the appraiser;
 - iii. Adjustments to comparable sales are not large in the aggregate, specifically not exceeding the trading range found in the market of essentially identical properties; and
 - iv. For residential property, the contract price falls within the market norm (Median sales price) of homes in the neighborhood.
6. A complex appraisal is one that does not have the characteristics of a non-complex appraisal and/or relies to a significant degree on all three approaches to value (cost approach, sales comparison approach and income approach).

- i. There is not an active market for properties similar to the property being appraised.
- ii. There is not adequate data available to the appraiser.
- iii. Adjustments to comparable sales are large in the aggregate and the adjustments exceed the trading range of sales identified.
- iv. For residential property, the contract sales price does not fall within the market norm for residences in the market area.

No appraisal experience credit will be allowed for a complex appraisal unless all three (3) approaches to value are fully developed in the report.

7. Each signer (co-author) of an appraisal report accepting responsibility for the report shall be awarded full credit for the appraisal. Each appraisal having four or more signers accepting responsibility for the report shall be awarded credit for an appraisal based on the appropriate points divided by the number of signers.
8. All appraisals submitted or claimed for experience credit are subject of verification and authentication by the Board. Applicants may not claim experience credit for appraisals which are not supported by written reports or file memoranda or which were performed by the applicant at a time when the applicant lacked full legal authority to perform real estate appraisals. Upon request, the applicant shall furnish the Board with copies of **two (2) specifically identified appraisal reports, file memoranda, or other data supporting the experience credit**

sought by the applicant. In addition, experience credit will only be accepted upon a sworn affidavit by the applicant that all information contained in his application, which includes his compilation of points, is true and correct.

9. State, county or municipal public officers, or their salaried employees while performing their duties as mass appraisers, may satisfy the appraisal experience requirements under this rule by submitting an affidavit from the supervising tax assessor or other appropriate official, and as follows:
 - a. For the licensed appraiser "Track One" category, by affidavit documentation as prescribed by the Board certifying that the applicant has obtained at least one thousand (1000) hours of appraisal work-experience over a minimum of six (6) months while holding an Appraiser Intern permit. For "Track Two" there is no experience required prior to licensure.
 - b. For the certified residential real estate appraisal certification, by proper documentation as prescribed by the Board which indicates that the applicant holds or has held a license as a state licensed real estate appraiser or a state certified general real estate appraiser and has obtained two thousand five hundred (2500) hours (equivalent to 600 points) of credible appraisal experience over a

minimum of twenty-four (24) months. Not more than one-half (1/2) of the credit for appraisal experience may be satisfied by proper documentation on a log sheet as prescribed by the Board of having been performed in a supervisory capacity of the value estimating process for mass appraisal work. Experience for the residential certification beyond the real property mass appraisal experience accepted under the provisions of this rule shall consist of residential category properties and shall be in compliance with the guidelines established in Rule 2 (e) and Rule 2 (f) <2> and shall have been obtained over a period of not less than nine (9) months.

- c. For the certified general real estate certification, by proper documentation as prescribed by the Board which indicates that the applicant holds or has held a license as a state licensed real estate appraiser or a state certified residential real estate appraiser and has obtained three thousand (3000) hours (equivalent to 720 points) of credible appraisal experience over a minimum of thirty (30) months. Not more than one-half (1/2) of the experience credit may be satisfied by proper documentation on a log sheet as prescribed by the Board of having been performed in a supervisory capacity of the value estimating process for mass appraisal work. Experience for the general certification beyond the real property mass appraisal experience accepted under the

provisions of this rule shall consist of non-residential category properties and shall be in compliance with the guidelines set forth in Rule 2 (e) and Rule 2 (f) <1> and shall have been obtained over a period of not less than twelve (12) months.

- d. The affidavit must set forth the applicant's job description, job duties and/or role in the value estimating process if not included in the job description and duties.
- e. The affiant must be aware and understand that experience credit shall only be awarded to applicants who demonstrate they use techniques to value properties which are similar to those techniques used by other appraisers; they must effectively use the appraisal process and the only components of the mass appraisal process that shall be given credit are for the highest and best use analysis, model specification (developing the model) and model calibration (developing adjustments to the model). Other components of the mass appraisal, by themselves, shall not be eligible for experience credit.
- f. Experience claimed for mass appraisal work must be consistent with existing guidelines of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council and must be compliant with the Mass Appraisal Development and Reporting guidelines estab-

lished in Standard 6 of USPAP.

Rule 3

REQUIREMENTS FOR LICENSING AND CERTIFICATION; EXAMINATIONS; FEES

A. REQUIREMENTS NECESSARY TO QUALIFY AS A LICENSED REAL ESTATE APPRAISER

I. Track One (Track I):

1. Education – Successful completion of not less than one hundred fifty (150) creditable class hours as specified in the required Core Curriculum as published by the Appraisal Qualifications Board of the Appraisal Foundation. The applicant shall have completed the approved 15-hour National Uniform Standards of Professional Appraisal Practice (USPAP) Course and the accompanying examination. There is no alternative to the successful completion of the USPAP examination.
2. Experience – One thousand (1000) hours of appraisal work-experience gained over a period of not less than six (6) months is required. Acceptable appraisal work-experience includes, but is not limited to, the following:
 - a. For a Mississippi Appraiser Intern, experience shall have been gained under the direct supervision of a Mississippi State Certified Appraiser. The verification of the experience credit claimed by an applicant shall be via affidavit from the supervising appraiser and shall be on

forms prescribed by the Board; in addition, the applicant must submit a log listing the tasks claimed for experience. The listing must describe the task performed, identify the specific appraisal report for which the task was performed, the date the task was performed and the number of hours claimed. The appraisal reports must be available should the Board desire to review them for the purpose of verifying the work-experience.

- b. For those individuals other than Mississippi Appraiser Interns, a listing of legally performed appraisals which are signed by the applicant, or of tasks performed by the applicant if not allowed to sign reports, must be submitted along with the application as proof of experience. The listing of tasks must describe the task performed, identify the specific appraisal report for which the task was performed, indicate the date the task was performed and must state the number of hours claimed. The appraisals must be

available should the Board desire to review them for the purpose of verifying work-experience.

3. Examination – All applicants must score 80% or higher on the Appraisal Qualification Board endorsed Uniform State Licensed Real Property Appraiser Examination or its equivalent. In addition, all applicants must score 80% or higher on the portion of the examination relating to the Mississippi Real Estate Appraiser Licensing and Certification Act and the Rules and Regulations of the Mississippi Appraisal Board. Examinations will include questions concerning the Uniform Standards of Professional Appraisal Practice (USPAP). Any person who fails to pass either portion of the Licensed Real Estate Appraiser examination upon two (2) occasions, shall be ineligible for a similar examination until after the expiration of six (6) months from the time such person last took the examination, and then only upon making application as in the first instance and meeting all requirements for application in effect at the time of re-applying.
4. Post-Licensing Requirements under Track One:

A “Track One” Licensed Appraiser may individually sign only appraisal reports of residential properties consisting of one (1) to four (4) units in which the final opinion of market value does not exceed \$300,000.00. A “Track One” Licensed Appraiser may not appraise any other classification of real property and may not appraise a residential property with a market value in excess of **\$300,000.00 unless** the report is also signed by a **qualified Certified Residential Appraiser or a Certified General Appraiser.**

II. Track Two (Track II):

1. Education – Successful completion of not less than one hundred fifty (150) creditable class hours as specified in the required Core Curriculum as published by the Appraisal Qualifications Board of the Appraisal Foundation. The applicant shall have completed the approved 15-hour National (USPAP) Course and the accompanying examination within the twelve (12) month period immediately preceding the submission of the application. There is no alternative to the successful completion of the USPAP examination.
2. Experience – None required.
3. Examination – All applicants must score 80% or higher on the Appraiser Qualification Board endorsed Uniform State Licensed Real Property Appraiser Examination or its equivalent. In addition, all applicants must score 80% or higher on the portion of the examination relating to the Mississippi Real Estate Appraiser Licensing and Certification Act and the Rules and Regulations of the Mississippi Appraisal Board. Examinations will include questions concerning the Uniform Standards of Professional Appraisal Practice (USPAP). Any person who fails to pass either portion of the Licensed Real Estate Appraiser examination upon two (2) occasions, shall be ineligible for a similar examination until after the expiration of six (6) months from the time such person last took the examination, and then only upon making application as in the first instance and meeting all requirements for application in effect at the time of re-applying.
4. Post-License Requirements Under Track Two:
 - a. A licensee must maintain a log of all appraisals performed and be prepared to submit, upon notification, sample appraisal reports

for review by the Board to determine compliance with USPAP.

- b. Track Two” licensees must state directly beneath their license number and signature **“License Obtained With No Appraisal Experience”** when signing appraisal reports, statements of qualification, contracts or other instruments used by the license holder where reference is made to such license holder’s status as a licensed real estate appraiser. That statement **MUST** be included under the appraiser’s name until **ALL** of the following conditions have been completed:

1. The appraiser has been licensed for no less than 24 months;
2. The appraiser has completed no less than 1,000 hours (240 points) of residential appraisal reports;
3. A LOG of all appraisals is submitted the MAB and the submission verifies the 1,000 hours of experience.

The failure of the licensee to comply with the above mentioned Disclosure Statement may serve as grounds for the suspension or revocation of their license as provided for in Sections 73-34-41 and 73-34-43.

- c. A “Track Two” Licensed Appraiser may individually sign only appraisal reports of **residential properties** consisting of one (1) to four (4) units in which the **final opinion of market value does not ex-**

ceed \$300,000.00. A “Track Two” Licensed Appraiser may not appraise any other classification of real property and may not appraise a residential property with a market value in excess of \$300,00.00 unless the report is also signed by a qualified Certified Residential Appraiser or a Certified General Appraiser.

CORE CURRICULUM FOR LICENSED APPRAISER, TRACK I & TRACK II:

Basic Appraisal Principles – 30 hours
Basic Appraisal Procedures – 30 hours
The 15-hour National USPAP Course or its Equivalent – 15 hours
Residential Market Analysis and Highest and Best Use – 15 hours
Residential Appraiser Site Valuation and Cost Approach – 15 hours
Residential Sales Comparison and Income Approaches – 30 hours
Residential Report Writing and Case Studies – 15 hours

B. REQUIREMENTS TO QUALIFY AS A STATE CERTIFIED REAL ESTATE APPRAISER:

- I. State Certified Residential Real Estate Appraiser.
- a. Education – ALL applicants must hold an Associate degree, or higher, from an accredited college, junior college, community college, or university. However, in lieu of the Associate degree, an applicant shall successfully pass all of the following college subject matter courses (totaling 21 semester hours) from an accredited college,

junior college, community college, or university:

1. English Composition;
2. Principles of Economics (Micro or Macro);
3. Finance;
4. Algebra, Geometry, or higher mathematics;
5. Statistics;
6. Computer Science/Computer Programs; and
7. Business or Real Estate Law.

If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association or by an accrediting agency that is recognized by the U. S. Secretary of Education) accepts the College-Level Examination Program (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course(s).

In addition to the above, the prerequisite for taking the Certified Residential Appraiser examination is the successful completion of two hundred (200) creditable class hours of course work as listed below:

Basic Appraisal Principles - 30 hrs
Basic Appraisal Procedures – 30 hrs
The 15-Hour National USPAP Course or its Equivalent – 15 hrs
Residential Market Analysis and Highest and Best Use – 15 hrs
Residential Appraiser Site Valuation and Cost Approach – 15 hrs
Residential Sales Comparison and Income Approaches – 30 hrs
Residential Report Writing and Case Studies – 15 hrs
Statistics, Modeling and Finance - 15 hrs
Advanced Residential Applications and Case Studies – 15 hrs
Appraisal Subject Matter Electives – 20 hrs

(May include hours over minimum shown above in other modules)

*Note: The MAB requires all individuals who apply for the Certified Residential License to have completed the 15-hour National USPAP course within sixty (60) months of making their application.

- b. Experience – All applicants must submit proof of having at least two thousand five hundred (2500) hours (600 points) of appraisal experience obtained during no fewer than twenty-four (24) months, of which, twelve hundred fifty (1250) hours (300 points) must be in residential appraisal work. Experience is calculated through the use of a point(s) system that is set forth in Rule 2 of the Mississippi Appraisal Board. Applicants must list identifying terminology for each appraisal which is used to develop the total number of points being claimed. These appraisals must be available should the Board desire to review them in order to verify the experience being claimed by an applicant. Copies of two appraisal reports, to be chosen by the Board from the experience log that is submitted with the application, must be submitted for review prior to being allowed to sit for the examination. If necessary to verify compliance with the experience requirement, other reports may be requested for review by the Board.

- c. A “Certified Residential Real Estate” Appraiser may individually sign only appraisal reports of **residential properties** consisting of one (1) to four (4) units but may do so without regard to the complexity of the report or the **final opinion of market value**. A “Certified Residential Real Estate” Appraiser may not appraise any other classification of real property unless the report is also signed by a **Certified General Appraiser**.

*Note: The Ethics Rule, Confidentiality section of USPAP, allows the submission of appraisal reports for review by a state license regulatory agency without obtaining permission from the client to release confidential information.

- d. Examination – All applicants must score 80% or higher on the Appraiser Qualification Board endorsed Uniform State Certified Residential Real

Property Appraiser Examination or its equivalent. In addition, all applicants must score 80% or higher on the portion of the examination concerning the Mississippi Real Estate Appraiser Licensing and Certification Act and the Rules and Regulations of the Mississippi Appraisal Board. Examinations will include questions concerning the Uniform Standards of Professional Appraisal Practice (USPAP). Any person who fails to pass either portion of the examination upon two (2) occasions shall be ineligible for a similar examination until after the expiration of six (6) months from the time such person last took the examination, and then only upon making application as in the first instance and meeting all requirements for application in effect at the time of re-applying.

II. State Certified General Real Estate Appraiser.

- a. Education – All applicants must hold a Bachelors degree or higher from an accredited college or university. However, in lieu of the Bachelors degree an applicant for the Certified General credential shall successfully pass the following collegiate level subject matter courses (totaling 30 semester hours) from an accredited college, junior college, community college or university:

1. English Composition
2. Micro Economics
3. Macro Economics
4. Finance
5. Algebra, Geometry, or higher mathematics
6. Statistics
7. Computer Science/Computer Programs
8. Business or Real Estate Law; and
9. Two elective courses in accounting, geography, ageconomics, business management, or real estate

If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association or by an accrediting agency that is recognized by the U. S. Secretary of Education) accepts the College-Level Examination Program (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as

credit for the college course (s).

In addition to the above, the prerequisite for taking the Certified General Appraiser examination is the successful completion of three hundred (300) creditable class hours of course work as listed below:

Basic Appraisal Principles - 30 hours

Basic Appraisal Procedures - 30 hours

The 15- Hour National USPAP Course or its Equivalent - 15 hours

General Appraiser Market Analysis & Highest & Best Use - 30 hours

Statistics, Modeling and Finance - 15 hours

General Appraiser Sales Comparison Approach - 30 hours

General Appraiser Site Valuation & Cost Approach - 30 hours

General Appraiser Income Approach - 60 hours

General Appraiser Report Writing and Case Studies - 30 hours

Appraisal Subject Matter Electives - 30 hours

(May include hours over minimum shown above in other modules)

*Note: The MAB requires all individuals who apply for the Certified General License to have completed the 15-hour National USPAP course within sixty (60) months of making their application.

b. Experience - All applicants must submit proof of having at least three thousand (3000) hours (720 points) of appraisal experience obtained during no fewer than thirty (30) months, of which, one thousand five hundred (1500) hours (360

points) must be in non-residential appraisal work. Experience is calculated through use of a point(s) system that is set forth in Rule 2 of the Mississippi Appraisal Board. Applicants must list identifying terminology for each appraisal which is used to develop the total number of points being claimed. These appraisals must be available should the Board desire to review them in order to verify the experience being claimed by applicant. Copies of two appraisal reports, to be chosen by the Board from the experience log that is submitted with application, must be submitted for review prior to being allowed to sit for the examination. In addition, other reports may be requested for review if required by the Board.

*Note: The Ethics Rule, Confidentiality Section of USPAP, allows the submission of appraisal reports for review to a state license regulatory agency without obtaining permission from the client to release confidential information.

c. Examination - All applicants must score 80% or higher on the Appraiser Qualification Board endorsed Uniform State Certified General Real Property Appraiser Examination or its equivalent. In addition, all applicants must score 80% or higher on the portion of the examination concerning the Mississippi Real Estate Appraiser Licensing and Certification Act and the Rules and Regulations of the Mississippi Appraisal Board. Examinations will include questions concerning the Uniform Stan-

dards of Professional Appraisal Practice (USPAP). Any person who fails to pass either portion of the examination upon two (2) occasions shall be ineligible for a similar examination until after the expiration of six (6) months from the time such person last took the examination, and then only upon making application as in the first instance and meeting all requirements for application in effect at the time of re-applying.

C. PREPARING FOR THE EXAM

An applicant must establish and verify an examination date within sixty (60) days of their application being approved by the Mississippi Appraisal Board. The examination shall be an Appraisal Qualifications Board approved qualifying examination for the credential (license) for which the applicant is applying. In addition, the examination will consist of a minimum of twenty-five (25) questions from the Mississippi Real Estate Appraiser Licensing and Certification Act and its Rules and Regulations. Applicants will be allowed four and one-half (4 1/2) hours to complete the examination and may use a silent calculator. An applicant has two (2) opportunities to pass the examination. If two (2) failures result, an applicant may re-apply but will not be allowed to take a similar exam for a period of six (6) months. Examinations will be administered as established by the Board. The Board will notify the applicant of available exam dates and times after the application has been approved.

D. FEES

1. **Application/Examination..... \$225.00**
2. **Application & permit for Appraisal Intern \$ 50.00**
3. **Application pursuant to Rule 9.... \$ 50.00 (Licensees of Other States)**
4. **Applications pursuant to Rule 6 ..\$ 75.00 (Temporary Privilege)**
5. **License (valid for 2 years)**
 - Licensed Appraiser \$325.00**
 - Certified Residential \$325.00**
 - Certified General..... \$325.00**

Rule 5

CONTINUING EDUCATION

As a prerequisite to the renewal of an appraisal license, an active status Licensed Real Property Appraiser, Licensed Certified Residential Real Property Appraiser or Licensed Certified General Real Property Appraiser shall present documentary evidence satisfactory to the Mississippi Appraisal Board (MAB) of having obtained at least twenty eight (28) hours of MAB or AQB approved continuing education which shall include successful completion of the 7-Hour National Uniform Standards of Professional Appraisal Practice (USPAP) Update Course or its equivalent. Equivalency shall be established through the Appraisal Qualifications Board (AQB) Course Approval Program or by an alternate method established by the AQB and approved by the MAB.

1. Approved Courses

A. Credit may be granted for education offerings that are consistent with the purpose of continuing education and comprise those real property related appraisal topics, including, but not limited to:

- i. Ad valorem taxation;
- ii. Arbitration, dispute resolution;
- iii. Courses related to the practice of real estate appraisal or consulting;
- iv. Development cost estimating;
- v. Ethics and standards of professional practice, USPAP;
- vi. Land use planning, zoning;
- vii. Management, leasing, timesharing;
- viii. Property Development, partial interests;
- ix. Real estate law, easements, and legal interests;

- x. Real estate litigation, damages, condemnation;
- xi. Real estate financing and investment;
- xii. Real estate appraisal related computer applications, and/or;
- xiii. Real estate securities and syndication.

B. Any course sponsored or provided by the MAB and/or any course which the MAB may deem to be an approved continuing education course.

C. Any course which has been individually approved by the MAB pursuant to the provisions of this Rule. All continuing education courses in this category must be approved prior to their presentation.

D. Any course which has been approved for real estate appraiser continuing education by any state or country wherein their appraiser licensing and certification program has been approved by the Appraiser Qualifications Board (AQB) and which course(s) satisfy all of the requirements set forth in 1-A of this Rule, with the exception of license law which pertains solely to a state other than Mississippi, may be utilized to meet the requirements for continuing education upon approval of the individual course by the MAB.

E. As much as one-half (1/2) of an individual's continuing education requirement may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities that are determined to be equivalent to obtaining continuing education. Credit for instructing any given course or seminar can only be awarded once during a continuing education cycle.

F. Educational offerings (Qualifying Education) which are taken by an individual in order to fulfill the class hour requirement(s) for a different classification of licensure than his/her current licensing classification may be simultaneously counted towards the continuing education requirement of his or her current classification.

G. Distance education is defined as any education process based on the geographical separation of student and instructor. Distance education courses intended to satisfy continuing education requirements must be pre-approved by MAB, and in addition to the generic requirements described in Rule 1(6), must also include at least one of the following:

- i. A written examination proctored by an official approved by the college or university, or by the sponsoring organization; or
- ii. Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter and as approved by MAB.

2. Procedures and criteria for approval of courses

A. Definitions:

- i. Provider- any person, partnership, association, corporation, educational organization, or other entity which sponsors, offers, or-

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- ganizes, provides or promotes real estate appraiser continuing education course.
- ii. Instructor – any person who delivers educational material information directly to students.
- B. A provider desiring approval of a continuing education course as referred to in Section 73-34-33, Mississippi Code of 1972, annotated, shall make application to MAB prior to offering the course(s). The provider, course, and instructor(s) must each receive concurrent approval. At the discretion of the MAB, courses which have not received prior approval, but which meet all other criteria, may be approved for credit for appraisers who have successfully completed the course.
3. Standards for approval of courses and instructors:
- A. Courses shall be taught only by MAB approved qualified instructors. The education and/or experience of the instructor must be appropriate to teach the subject matter of the course being taught.
- B. Courses shall be offered in a minimum of two-hour segments and no credit shall be given for partial hour(s).
- C. The course approval by the MAB shall be for a two-year period from the date of the initial approval. The provider shall be required to file all documentation for re-approval at the expiration of the previous offering.
4. Administrative Requirements
- A. The provider shall issue certificates of attendance only to those licensees who complete all requirements of the course, whether by classroom attendance or by distance education. The certificates shall be in three parts. One part of the fully completed certificate shall be tendered to the MAB, one part shall be given to the attendee, and the remaining part shall be retained by the provider.
- B. The provider shall furnish the MAB with a class roster listing each attendee, in alphabetical order, within thirty-days after completion of each course. The class roster must also provide the appraisal license number of all licensed/certified attendees.
- C. Attendance and other records of each provider must be kept on file for a period of three years and shall be subject to inspection by the MAB at any time during
- normal business hours.
5. Advertising
- A. Providers may advertise that a course meets a portion of the continuing education requirements; however, no advertisement shall be used which states or implies that the Mississippi Real Estate Appraiser Licensing and Certification Board has approved or passed on the merits of a course.
6. Suspension or revocation of Approval
- Failure to comply with any provision of this rule, or any of the provisions as set forth in Section 73-34-35, shall constitute grounds for suspension or revocation of the approval of a course, a provider or an instructor, or other such action as deemed appropriate by the MAB. Any seated member of the Board or its duly authorized representatives may audit any offering of an approved course at any time during the course presentation to determine the adequacy of course presentation and the course content. Failure to meet criteria for continuing education approval as set forth above shall constitute grounds for withdrawal of approval of the course, instructor or provider; either individually or collectively.

Rule 11

REAL PROPERTY APPRAISER INTERN QUALIFICATION CRITERIA

- A. The scope of practice for the Real Property **Appraiser Intern** Classification is strictly limited to appraisal **assistance** for those properties which the supervising **certified** appraiser is permitted to appraise.
 - B. The Real Property **Appraiser Intern** shall be subject to the Uniform Standards of Professional Appraisal Practice (USPAP).
 - C. The Real Property **Appraiser Intern** shall be entitled to obtain copies of appraisal reports which they **assisted in preparing**. The supervising **certified** appraiser shall keep copies of appraisal reports for a period of at least five years or for at least two years following the final disposition of any judicial proceeding in which testimony was given, whichever period expired last.
 - D. A Real Property **Appraiser Intern** must meet the following requirements:
 1. Examination:

There is no examination requirement for the Real Property **Appraiser Intern permit**.
 2. Education Prerequisite to application:
 - a. 75 classroom hours of courses in subjects related to real estate appraisal which shall include **the successful completion of the current 15-Hour National Uniform Standards of Professional Appraisal Practice (USPAP) Course**.
- (1) A classroom hour is defined as 50 minutes out of each 60-minute segment.
 - (2) Classroom hours may only be obtained where the minimum length of the educational offering is 15 hours in length and the individual must successfully complete an examination pertinent to that educational offering.
 - (3) Credit for **the** classroom hour requirement may be obtained from the following:
 - (a) Colleges or Universities
 - (b) Community or Junior colleges
 - (c) Real Estate Appraisal or Real Estate Related Organizations **as approved by the Board**.
 - (d) State or Federal Agencies or Commissions as approved by the Board.
 - (e) Proprietary Schools as approved by the Board.
 - (f) Other providers approved by the Board.
 - (4) The content for courses, seminars, workshops, or conferences should include coverage of basic real estate appraisal principles, procedures and USPAP as described in the Appraisal Qualifications Board (AQB) course curriculum guideline, as follows:
 - (a) **Basic appraisal principles (30-hours)**
 - (b) **Basic appraisal procedures (30-hours)**
 - (c) **The 15-hour National USPAP Course or its equivalent**
3. Experience
 - a. The Real Property **Appraiser Intern** shall be subject to the direct supervision by a supervising **certified** appraiser who shall be state certified, in good standing **and subject to the Board's approval. No experience may be gained by the Appraiser Intern unless the Board has approved the state certified appraiser with whom they are working.**
 - b. The supervising **certified** appraiser shall be responsible for the training and direct supervision of the Real Property Appraiser Intern by:
 - (1) Accepting **all** responsibility for the appraisal **and** the report by signing and certifying that the report is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) **and that the Appraiser Intern did not provide significant real property appraisal assistance.**

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- (2) Personally inspecting **and being physically present at** each appraised property with the **Appraiser Intern** if **any** inspection is required.
- c. The Real Property **Appraiser Intern** is permitted to have more than one supervising certified appraiser **but each must be approved by the Board prior to any experience being earned.**
- d. An appraisal log shall be maintained by the Real Property **Appraiser Intern, with each sheet** signed by the supervising **certified** appraiser and shall at a minimum include the following:
- (1) Type of property
 - (2) Client name and address
 - (3) Address of appraised property
 - (4) Description of work performed
 - (5) Number of work hours per task
 - (6) Signature and state certification number of the supervising **certified** appraiser.
- e. Separate appraisal logs shall be maintained for each supervising **certified** appraiser
4. CONTINUING EDUCATION
- A Real Property **Appraiser Intern** who remains in this classification in excess of two years shall be required in the third and successive years to obtain:
- a. **At least fourteen hours of elective continuing education per year. In addition, a seven-hour USPAP update course must be taken within a two-year period.**
- (1) A classroom hour is defined as fifty minutes out of each sixty-minute segment.
 - (2) Credit toward the classroom hour requirement may be granted only where the length of the educational offering is at least two hour.
 - (3) Credit for the classroom hour requirement may be obtained from the following:
 - (a) Colleges or Universities
 - (b) Community or Junior colleges
 - (c) Real Estate Appraisal or Real Estate related organizations approved by the Board
 - (d) State or Federal agencies or commissions approved **by the Board**
 - (e) Proprietary schools approved by the Board
 - (f) Other providers approved by the Board
 - (4) Credit may be granted for educational offerings, which are consistent with the purpose of continuing education stated in subparagraph "c" below and cover real estate related appraisal topics such as those listed below.
 - (a) Ad Valorem Taxation
 - (b) Arbitration
 - (c) Business courses related to practice of real estate appraisal
 - (d) Construction estimating
 - (e) Ethics and standards of professional practice
 - (f) Land use planning, zoning and taxation
 - (g) Management, leasing, brokerage, timesharing
 - (h) Property development
 - (i) Real estate appraisal (valuations/evaluations)
 - (j) Real estate law
 - (k) Real estate litigation
 - (l) Real estate financing and investment
 - (m) Real estate appraisal related computer applications
 - (n) Real estate securities and syndication
 - (o) Real property exchange
- b. Continuing education credit may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities, which are determined to be equivalent to obtaining education.
- c. The purpose of continuing education is to ensure that the appraiser participates in a program that maintains and increases his/her skill, knowledge and competency in real estate appraising.

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A Public Hearing will be held at the Appraisal Board office located at 2506 Lakeland Drive, Suite 300, Flowood, Mississippi, on December 17 at 10:00 a.m.

You may also submit any comments concerning the new rules to the Appraisal Board at P. O. Box 12685, Jackson, MS 39236-2685.

We're on the Web

www.mrec.ms.gov
